

Introduced by Senator Yee
(Coauthor: Senator Cannella)
(Coauthors: Assembly Members Gray and Nestande)

July 10, 2013

Senate Constitutional Amendment No. 15—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 9 of Article IX thereof, relating to the University of California.

LEGISLATIVE COUNSEL'S DIGEST

SCA 15, as introduced, Yee. University of California: retirement benefits.

The California Constitution establishes the University of California as a public trust with full powers of organization and government, as provided, and administered by the Regents of the University of California, subject only to the legislative control necessary to ensure the security of its funds and compliance with the terms of the endowments of the university.

The California Public Employees' Pension Reform Act of 2013 (PEPRA), on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan, setting the maximum benefit allowable for employees hired on or after January 1, 2013.

This measure would, for an officer or employee of the University of California first hired on or after the effective date of this measure, make any retirement plan of the University of California subject to the

provisions of PEPRA and any subsequent statutory enactment amending that act or enacting or amending a successor act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

1 *Resolved by the Senate, the Assembly concurring,* That the
2 Legislature of the State of California at its 2013–14 Regular
3 Session commencing on the third day of December 2012,
4 two-thirds of the membership of each house concurring, hereby
5 proposes to the people of the State of California, that the
6 Constitution of the State be amended as follows:

7 That Section 9 of Article IX thereof is amended to read:

8 SEC. 9. (a) (1) The University of California shall constitute
9 a public trust, to be administered by the existing corporation known
10 as “The Regents of the University of California,” with full powers
11 of organization and government, subject only to such legislative
12 control as may be necessary to insure the security of its funds and
13 compliance with the terms of the endowments of the university
14 and such competitive bidding procedures as may be made
15 applicable to the university by statute for the letting of construction
16 contracts, sales of real property, and purchasing of materials, goods,
17 and services. Said corporation shall be in form a board composed
18 of seven ex officio members, which shall be: the Governor, the
19 Lieutenant Governor, the Speaker of the Assembly, the
20 Superintendent of Public Instruction, the president and the vice
21 president of the alumni association of the university and the acting
22 president of the university, and 18 appointive members appointed
23 by the Governor and approved by the Senate, a majority of the
24 membership concurring; provided, however that the present
25 appointive members shall hold office until the expiration of their
26 present terms.

27 (2) *For those officers and employees first hired on or after the*
28 *effective date of this subdivision, any retirement plan of the*
29 *University of California shall be subject to the California Public*
30 *Employees’ Pension Reform Act of 2013 (Article 4 (commencing*
31 *with Section 7522) of Chapter 21 of Division 7 of Title 1 of the*
32 *Government Code) and any subsequent statutory enactment*
33 *amending that act or enacting or amending any successor act.*

34 (b) The terms of the members appointed prior to November 5,
35 1974, shall be 16 years; the terms of two appointive members to

1 expire as heretofore on March 1st of every even-numbered calendar
2 year, and two members shall be appointed for terms commencing
3 on March 1, 1976, and on March 1 of each year thereafter; provided
4 that no such appointments shall be made for terms to commence
5 on March 1, 1979, or on March 1 of each fourth year thereafter,
6 to the end that no appointment to the regents for a newly
7 commencing term shall be made during the first year of any
8 gubernatorial term of office. The terms of the members appointed
9 for terms commencing on and after March 1, 1976, shall be 12
10 years. During the period of transition until the time when the
11 appointive membership is comprised exclusively of persons serving
12 for terms of 12 years, the total number of appointive members may
13 exceed the numbers specified in the ~~preceeding~~ *preceding*
14 paragraph.

15 In case of any vacancy, the term of office of the appointee to fill
16 such vacancy, who shall be appointed by the Governor and
17 approved by the Senate, a majority of the membership concurring,
18 shall be for the balance of the term for which such vacancy exists.

19 (c) The members of the board may, in their discretion, following
20 procedures established by them and after consultation with
21 representatives of faculty and students of the university, including
22 appropriate officers of the academic senate and student
23 governments, appoint to the board either or both of the following
24 persons as members with all rights of participation: a member of
25 the faculty at a campus of the university or of another institution
26 of higher education; a person enrolled as a student at a campus of
27 the university for each regular academic term during his service
28 as a member of the board. Any person so appointed shall serve for
29 not less than one year commencing on July 1.

30 (d) Regents shall be able persons broadly reflective of the
31 economic, cultural, and social diversity of the State, including
32 ethnic minorities and women. However, it is not intended that
33 formulas or specific ratios be applied in the selection of regents.

34 (e) In the selection of the Regents, the Governor shall consult
35 an advisory committee composed as follows: The Speaker of the
36 Assembly and two public members appointed by the Speaker, the
37 President Pro Tempore of the Senate and two public members
38 appointed by the Rules Committee of the Senate, two public
39 members appointed by the Governor, the chairman of the regents
40 of the university, an alumnus of the university chosen by the alumni

1 association of the university, a student of the university chosen by
2 the Council of Student Body Presidents, and a member of the
3 faculty of the university chosen by the academic senate of the
4 university. Public members shall serve for four years, except that
5 one each of the initially appointed members selected by the Speaker
6 of the Assembly, the President Pro Tempore of the Senate, and
7 the Governor shall be appointed to serve for two years; student,
8 alumni, and faculty members shall serve for one year and may not
9 be regents of the university at the time of their service on the
10 advisory committee.

11 (f) The Regents of the University of California shall be vested
12 with the legal title and the management and disposition of the
13 property of the university and of property held for its benefit and
14 shall have the power to take and hold, either by purchase or by
15 donation, or gift, testamentary or otherwise, or in any other manner,
16 without restriction, all real and personal property for the benefit
17 of the university or incidentally to its conduct; provided, however,
18 that sales of university real property shall be subject to such
19 competitive bidding procedures as may be provided by statute.
20 Said corporation shall also have all the powers necessary or
21 convenient for the effective administration of its trust, including
22 the power to sue and to be sued, to use a seal, and to delegate to
23 its committees or to the faculty of the university, or to others, such
24 authority or functions as it may deem wise. The Regents shall
25 receive all funds derived from the sale of lands pursuant to the act
26 of Congress of July 2, 1862, and any subsequent acts amendatory
27 thereof. The university shall be entirely independent of all political
28 or sectarian influence and kept free therefrom in the appointment
29 of its regents and in the administration of its affairs, and no person
30 shall be debarred admission to any department of the university
31 on account of race, religion, ethnic heritage, or sex.

32 (g) Meetings of the Regents of the University of California shall
33 be public, with exceptions and notice requirements as may be
34 provided by statute.